

THE WASHINGTON POST
Sunday, Dec. 9, 1973

\$1.5 Billion Secret in Sky

U.S. Spy Unit Surfaces by Accident

By Laurence Stein
Washington Post Staff Writer

In the arcane and heavily classified world of "overhead" reconnaissance and spy satellite intelligence, the existence of the National Reconnaissance Office has been one of the best kept trade secrets.

The name of the organization, in fact, is top secret, and, according to intelligence officials, has appeared in public print only once before—by inadvertence.

Yet the NRO, which is funded primarily through Air Force appropriations, spends an estimated \$1.5 billion a year acquiring and managing the most sophisticated, elusive and expensive force of spies that has ever been recruited into the government's service.

Its customers include the Central Intelligence Agency, National Security Agency, Defense Intelligence Agency and the White House. Its operatives bear such names as SR-71, Samos, Agena, and "the Big Bird." Its activities are screened off from all but a relative handful of specialists in the national security bureaucracy who carry some of the highest and most specialized clearances issued by the government.

Curiously enough, the only reference that has been made in a public document was last Oct. 12 in the Special Senate Committee Hearings on Intelligence Operations Related to Secret and Government Documents. The

drafters of the report unwittingly breached security by listing, along with CIA, DIA and NSA on the concluding page, the National Reconnaissance Office.

And, more obliquely, Sen. William Proxmire (D-Wis.) alluded to the NRO's mission in a recent statement challenging the appointment of Lockheed Aircraft Corp. reconnaissance satellite expert James W. Plummer as under secretary of the Air Force.

In questioning Plummer's nomination on conflict-of-interest grounds, Proxmire made a pointed observation:

"Normally, the under secretary of the Air Force has jurisdiction over certain intelligence matters and sits on a special committee that directs manned and unmanned overhead reconnaissance, including spy satellite programs. These critical projects have run into the billions of dollars—money that flows to defense contractors such as Lockheed."

Plummer has been with Lockheed since 1955. The California-based firm is the principal corporate contractor in the so-called "black" reconnaissance satellite programs carried out by NRO.

From the "skunk works," as specialists describe the facility, of Lockheed spy plane developer Kelley Johnson in Nevada also emerged the U-2 and SR-71. "The U-2 was perhaps the only government spy project to have a cost under-

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Ultra-Top Secret, Including Its Name

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run and to exceed the promised performance standards," said one expert on the program. Lockheed was also the prime contractor on the C-5A, which was plagued by \$2 billion in combined cost overruns.

In addition to the conflict-of-interest issue in Plummer's appointment, congressional investigators are looking into the possibilities of overruns in the supersecret reconnaissance satellite programs under NRO's jurisdiction.

"I've never heard of one of these programs that didn't have enormous cost overruns," said one Defense Department official who has worked first-hand with some of the spy satellite operations. The opportunities for breaking cost and performance commitments are greater in spy satellite programs, this official said, because of the atmosphere of secrecy and narrow channels of accountability in which they operate.

NRO's existence is shielded from senior congressional intelligence overseers. Former high-ranking staff members of the National Security Council, who were cleared for some of the most sensitive intelligence material to reach the President's desk, acknowledged in interviews that they had not been informed about it.

"This is a black program and you're not supposed to know it exists," said one Pentagon administrator. For the past several years its supervision has nominally been in the hands of the under secretary of the Air Force. Operations and procurement have been handled through the office of the Secretary of the Air Force, according to Defense Department sources.

Its intelligence products labeled ELINT (for electronic intelligence) and COMINT (for communications intelligence) are parceled out under special code names to the government "consumers"—such as CIA or NSA. The users may get the product of the secret reconnaissance, such as monitoring of Chinese nuclear tests, or radio transmissions in the Soviet Union, without being told of the collection techniques. This is known as "compartmentalizing" of intelligence data.

Since the inception of the U. S. reconnaissance satellite program in the mid-1950s to 1970 some \$10 to \$12 billion had been spent on the spy birds, according to an estimate by aviation and space writer Philip J. Klass in his book, "Secret Sentries in Space." Since then the outlay may have grown by about \$5 billion.

Overhead reconnaissance has proven of enormous value in providing more realistic assessments of such things as Soviet ballistic missile capability, both offensive and defensive. It helped, in fact, to defuse

public anxieties over the missile gap in the early 1960s. The most publicized use of the program was to support President Kennedy's contention that the Soviet Union was installing offensive missiles in Cuba.

But congressional investigators in yet unpublicized inquiries are raising questions about relationships between corporate contractors and the super-secret programs being carried out under the aegis of NRO and other military intelligence agencies.

Proxmire's concern about the Plummer appointment is one example of this. Air Force Secretary John L. McLucas came to the government from the Air Force think tank, MITRE. Assistant Air Force Secretary for procurement, Frank Schrantz comes from Boeing.

"There has been a tendency, stronger than ever in recent months, to put executives of contractor agencies in these key positions," said one veteran Defense Department official. "Not that there is anything personally wrong with these men. But all their attitudes have been shaped by their experience working for contractors."

The late Allen Ellender (D-La.), former chairman of the Senate Appropriations Committee, was one of the few members of Congress privy to some of government's best-kept intelligence secrets, and rhubarbs.

"If you knew how much money we spend and how much money we waste in this area," Ellender said in a 1971 interview, "it would knock you off your chair. It's criminal."

Whatever that amount might be will probably never appear in the public domain.